

★ MICHIGAN TICKET FAIRNESS ★

March 10, 2015

Chair Heise and members of the House Criminal Justice Committee:

I am writing to testify in support of House Bill 4015, which will bring Michigan in line with the majority of the country by subjecting the secondary ticket market to the laws of the free market.

The active secondary ticket market for concerts and sporting events — sometimes derogatorily referred to as “ticket scalping” — has generated an unfair reputation as a market for hustlers looking to make a quick buck by gouging fans with excessive ticket prices.

In reality, there is nothing troublesome, problematic or shady about two willing individuals agreeing to a price for a product and engaging in a completely voluntary transaction — that’s the basis of a market economy and describes what happens millions of times every day when Americans buy and sell homes, cars and stocks, or bid for baseball cards, old coins, or clothes on eBay.

When a fan agrees to purchase a ticket to a concert or sporting event that might sometimes be above the ticket’s face value, how can that be a crime when the buyer has voluntarily, and quite willingly, made a market-based exchange?

Michigan is one of only a few states that make it illegal for two individuals to voluntarily exchange tickets when the agreed-upon price is above face value. The ticket scalping law is routinely ignored, as evidenced by the thousands of fans who actively and voluntarily buy and sell tickets every day on the secondary market through websites like Craigslist, Stub Hub, Seat Geek and eBay.

Our outdated ticket law is also stifling the growth of local businesses that would gladly compete against out-of-state and national ticket resellers.

Fortunately, House Bill 4015 seeks to overturn the arcane ticket law and would allow natural market forces to set ticket prices on the secondary market. To deny a free-market system built around capturing the best price possible for goods or services would be, well, completely un-American. And it’s an affront to what we all recognize as a basic economic right — the right as buyers and sellers to engage in voluntary market transactions without unnecessary interference from the government.

If Beyonce is performing at the Fox Theater or the Tigers are in the MLB playoffs, — events that are in high demand because they promise plenty of memorable moments — Michigan ticket owners should be allowed to buy and sell their tickets at prices that are market determined and mutually agreeable, and not regulated by government price controls.

Thirty-five other states have already repealed laws that restrict ticket resales.

Whether it’s buying or selling a car, house, an old baseball card or a rare coin, we’re always trying to get the best deal possible in a transaction, and those voluntary exchanges are the very foundation of a market economy. It’s time to put needless ticket resale restrictions aside, end the victimless crime of “ticket scalping” and stop wasting law enforcement resources on an outdated regulation.

Mark J. Perry

*Professor of Economics, University of Michigan – Flint
Scholar at the American Enterprise Institute*

★ MICHIGAN TICKET FAIRNESS ★

Order Details

Invoice ID

Event

Detroit Red Wings

Venue

Joe Louis Arena

Production Notes

Date

3/14/2014 Fri 7:30 PM

Section

218B

Row

Seats

Ship Date

12/19/2013

Quantity

2 @ \$40.00

Merchandise

\$80.00

Discount

\$0.00

Gift Certificate

\$0.00

Service Charge

\$10.00

Shipping

\$4.95

Shipping charge for prior or future orders

Tax

\$0.00

Order Total

\$94.95

Invoice Notes

Payment Information

Method

American Express

Number

Amount

94.95

This is your ticket.

Present this entire page at the event.

ticketmaster®

ISSUED TO

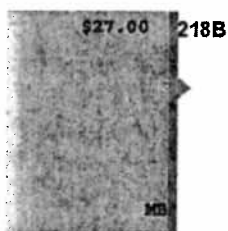
SECTION 218B

ROW

SEAT

ISSUED ON

ORDER NO.



DETROIT RED WINGS
VS
EDMONTON OILERS
JOE LOUIS ARENA
FRI MAR 14 2014 7:30 PM

SECTION 218B



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Detroit Lions fans sue over right to resell tickets on the street

By Tresa Baldas, Detroit Free Press 9:59 p.m. EDT March 9, 2015



(Photo: Diane Weiss/Detroit Free Press)

Some disgruntled Lions fans are headed to federal court — though their beef doesn't involve Ndamukong Suh's departure or the team's trying track record.

It's about ticket resellers getting fined for hustling their tickets on the street, even though the practice is legal.

In a class action filed in U.S. District Court Monday, five Detroit Lions ticket holders allege that Detroit police are unlawfully ticketing resellers, even though a federal judge struck down the city's so-called anti-scalping law in 2006.

Under state law, it's still illegal to resell tickets for over face value — which is known as scalping. But it's not illegal for people to hustle sporting event tickets in Detroit for less than face value, under a 2006 court ruling.

Among the plaintiffs is Southfield attorney Neal Brand, who argues Detroit police are ignoring the court ruling and forcing unwitting ticket sellers who aren't familiar with the law into paying fines for something that's legal.

More: [Lions stay patient after losing Ndamukong Suh \(/story/sports/nfl/lions/2015/03/09/detroit-lions-rumors/24667509/\)](http://story/sports/nfl/lions/2015/03/09/detroit-lions-rumors/24667509/)

"There's this squad of police officers out there trying to harass people who try to resell tickets," said Brand, who believes his class action could eventually include up to 150 plaintiffs. "There are many, many people who have pled guilty to this ... It's a shakedown or a cash grab. How hard is it to find two ticketholders waving tickets in the air?"

The law is clear, Brand said: "You can't get into trouble for selling tickets under face value."

City of Detroit spokesperson John Roach said the city's attorneys are still reviewing the complaint. At this point, he said, the city has no comment, but will file an official response to the lawsuit in court later.

According to the lawsuit, Detroit police are citing Lions ticket resellers in a roundabout way. They're using trickery, the lawsuit states, by issuing citations to ticket resellers for not having a vendors license.

Brand, an attorney who has handled other civil rights matters, said he caught on after he was issued a citation for reselling Lions tickets last fall. According to the lawsuit, Brand was "abruptly" detained and ticketed by a police officer while he and a friend were trying to sell extra tickets to a Dec. 14 Lions game near 36th District Court. The officer took their photos with an iPad and told them to leave the corner, the lawsuit states.

When Brand tried telling the officer that they weren't doing anything illegal and that a court ruling supported them, the officer replied: "Take it up with a judge or someone else that may care."

Brand took it to court, arguing Detroit police are unlawfully using a law that doesn't apply to ticket resellers, only to vendors without a license.

Jamie Samuelsen: [Lions fans deserve an explanation \(/story/sports/nfl/lions/2015/03/09/detroit-lions-ndamukong-suh-martin-mayhew/24660859/\)](http://story/sports/nfl/lions/2015/03/09/detroit-lions-ndamukong-suh-martin-mayhew/24660859/)

"In America, you can't just use any law you want or else you could arrest anyone for anything and use inapplicable laws," Brand said. "When a federal district judge says that it's lawful to sell tickets for face value or less, you can't turn around and (issue a ticket for it), that's a trampling of your rights."

Two other plaintiffs are Thomas Crase and Candice Walters — a father and daughter from Utah who had to fly back to Detroit in January to fight a ticket they had received outside Ford Field during a Dec. 7 game.

The Utah plaintiffs never sold their game tickets, but were ticketed because "police unreasonably suspected that they may sell them," the lawsuit states. In the end, the father and daughter ended up paying a \$220 fine and a few thousand dollars in travel costs to resolve the issue, he said.

In 2006, a federal judge declared Detroit's law banning the resale of tickets at or below face value in front of an event's venue as unconstitutional. While the city argued the ordinance was necessary, the judge said the city had "no explanation" for how the law helped alleviate traffic safety and security issues.

Brand said it's time the city abide by the ruling.

"The city of Detroit has been issuing these tickets to these people who don't have the financial means to fight back," Brand said. "Now they got someone who is going to help them fight back."

Contact Tresa Baldas at tbaldas@freepress.com (<http://mailto:tbaldas@freepress.com>).

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March 9, 2015, 6:13 p.m.



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March 9, 2015, 5:12 p.m.



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[\(/story/news/local/2015/03/09/levin-joins-firm/24645191/\)]((/story/news/local/2015/03/09/levin-joins-firm/24645191/))
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March 9, 2015, 8:29 p.m.